



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART III

#### LICENSING OF CREDIT AND HIRE BUSINESSES<sup>F1</sup>

##### *Licensing principles<sup>F1</sup>*

#### 25 Licensee to be a fit person.

- (1) A standard licence shall be granted on the application of any person if he satisfies the [<sup>F1</sup>OFT] that—
- he is a fit person to engage in activities covered by the licence, and
  - the name or names under which he applies to be licensed is or are not misleading or otherwise undesirable.
- [<sup>F2</sup>(1A) The [<sup>F1</sup>OFT] shall refuse an application for the grant of standard licence made by a consumer credit EEA firm if all of the activities described in the licence are activities for which the firm has permission, or could obtain permission, under paragraph 15 of Schedule 3 to the Financial Services and Markets Act 2000.
- [<sup>F2</sup>(1B) If an application for the grant of a standard licence—
- is made by a person with permission under Part 4 of the Financial Services and Markets Act 2000 to accept deposits, and
  - relates to a listed activity,
- the Financial Services Authority may, if it considers that the [<sup>F1</sup>OFT] ought to refuse the application, notify him of that fact.
- [<sup>F2</sup>(1C) In subsection (1B) “listed activity ” means an activity listed in [<sup>F3</sup>Annex 1 to Directive [2006/48/EC](#) of the European Parliament and of the Council of 14 June 2006 relating to the taking up and pursuit of the business of credit institutions] or in [<sup>F4</sup>Annex I to the markets in financial instruments directive ([2004/39/EC](#))] and references to deposits and to their acceptance must be read with—
- section 22 of the Financial Services and Markets Act 2000;

*Status: Point in time view as at 01/11/2007. This version of this provision has been superseded.*

*Changes to legislation: Consumer Credit Act 1974, Section 25 is up to date with all changes known to be in force on or before 24 January 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (b) any relevant order under that section; and
  - (c) Schedule 2 to that Act.]
- (2) In determining whether an applicant for a standard licence is a fit person to engage in any activities, the [F1OFT] shall have regard to any circumstances appearing to [F5it] to be relevant, and in particular any evidence tending to show that the applicant, or any of the applicant’s employees, agents or associates (whether past or present) or, where the applicant is a body corporate, any person appearing to the [F1OFT] to be a controller of the body corporate or an associate of any such person, has—
- (a) committed any offence involving fraud or other dishonesty, or violence,
  - (b) contravened any provision made by or under this Act, or by or under any other enactment regulating the provision of credit to individuals or other transactions with individuals,
  - [F6(bb) contravened any provision in force in an EEA State which corresponds to a provision of the kind mentioned in paragraph (b);]
  - (c) practised discrimination on grounds of sex, colour, race or ethnic or national origins in, or in connection with, the carrying on of any business, or
  - (d) engaged in business practices appearing to the [F1OFT] to be deceitful or oppressive, or otherwise unfair or improper (whether unlawful or not).
- (3) In subsection (2), “associate”, in addition to the persons specified in section 184, includes a business associate.

#### Textual Amendments

- F1** Words in s. 25 substituted (1.4.2003) by Enterprise Act 2002 (c. 40), ss. 278, 279, **Sch. 25 para. 6(8) (a)**; S.I. 2003/766, **art. 2**, Sch. (with art. 3)
- F2** S. 25(1A)(1B)(1C) inserted (1.12.2001) by S.I. 2001/3649, **art. 167(1)(2)**
- F3** Words in s. 25(1C) substituted (1.1.2007) by The Capital Requirements Regulations 2006 (S.I. 2006/3221), reg. 29(2), **Sch. 4 para. 1**
- F4** Words in s. 25(1C) substituted (1.11.2007) by The Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2007 (S.I. 2007/126), regs. 1(2), 3(6), **Sch. 6 para. 5**
- F5** Word in s. 25(2) substituted (1.4.2003) by Enterprise Act 2002 (c. 40), ss. 278, 279, **Sch. 25 para. 6(8) (b)**; S.I. 2003/766, **art. 2**, Sch. (with art. 3)
- F6** S. 25(2)(bb) inserted (1.12.2001) by S.I. 2001/3649, **art. 167(1)(3)**

#### Modifications etc. (not altering text)

- C1** S. 25, 25(2)(b) extended (1.1.1993) by S.I. 1992/3218, **reg. 58(1)**  
 S. 25 modified (1.1.1996) by S.I. 1995/3275, **reg. 35**

**Status:**

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**Changes to legislation:**

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